



## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-580-881]

#### **Certain Cold-Rolled Steel Flat Products from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2020-2021**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The U.S. Department of Commerce (Commerce) preliminarily finds that certain cold-rolled steel flat products (cold-rolled steel) from the Republic of Korea (Korea) were not sold in the United States at less than normal value during the period of review (POR), September 1, 2020, through August 31, 2021. Interested parties are invited to comment on these preliminary results.

**DATES:** Applicable [Insert date of publication in the *Federal Register*].

**FOR FURTHER INFORMATION CONTACT:** Fred Baker or Preston Cox, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2924, or (202) 482-5041, respectively.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

On September 20, 2016, Commerce published in the *Federal Register* the antidumping duty order on cold-rolled steel from Korea.<sup>1</sup> On September 2, 2021, Commerce published a notice of opportunity to request an administrative review of the *Order*.<sup>2</sup> On November 5, 2021, based on timely requests for review, in accordance with 19 CFR 351.221(c)(1)(i), Commerce

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<sup>1</sup> See *Certain Cold Rolled Steel Flat Products from Brazil, India, the Republic of Korea, and the United Kingdom: Amended Final Affirmative Antidumping Determinations for Brazil and the United Kingdom and Antidumping Duty Orders*, 81 FR 64432 (September 20, 2016) (*Order*).

<sup>2</sup> See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 86 FR 49311, 49312 (September 2, 2021).

initiated an administrative review of the *Order* with respect to four companies.<sup>3</sup> On December 13, 2021, Commerce selected Hyundai Steel Company (Hyundai) and POSCO/POSCO International Corporation (PIC) (collectively, POSCO/PIC) as mandatory respondents in this administrative review.<sup>4</sup> On May 25, 2022, Commerce extended the time period for issuing these preliminary results by 120 days, until September 30, 2022, in accordance with section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.213(h)(2).<sup>5</sup>

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>6</sup> A list of topics discussed in the Preliminary Decision Memorandum is included as an appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

### Scope of the *Order*

The product covered by the *Order* is cold-rolled steel from Korea. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.

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<sup>3</sup> *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 61121 (November 5, 2021).

<sup>4</sup> *See* Memorandum, "2020-2021 Administrative Review of Cold-Rolled Steel Flat Products from the Republic of Korea: Respondent Selection," dated December 13, 2021. Consistent with the 2019-20 administrative review, Commerce has collapsed POSCO and PIC, treating these companies as a single entity. *See Certain Cold-Rolled Steel Flat Products from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2019–2020*, 86 FR 55584 (October 6, 2021), and accompanying Preliminary Decision Memorandum, at 1, unchanged in *Certain Cold-Rolled Steel Flat Products from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2019–2020*, 87 FR 15371 (March 18, 2022). In the 2018-19 administrative review, Commerce determined that PIC is the successor-in-interest to POSCO Daewoo Corporation (PDW), and, as a consequence, is part of the collapsed POSCO single entity. *See Certain Cold-Rolled Steel Flat Products from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2018–2019*, 86 FR 40808 (July 29, 2021), and accompanying Issues and Decision Memorandum at 6, n.16. We continue to refer to the collapsed entity as "POSCO/PIC" hereafter.

<sup>5</sup> *See* Memorandum, "Certain Cold-Rolled Steel Flat Products from the Republic of Korea: Extension of Preliminary Results of Antidumping Duty Administrative Review; 2020-21," dated May 25, 2022.

<sup>6</sup> *See* Memorandum, "Decision Memorandum for the Preliminary Results of the 2020-2021 Administrative Review of the Antidumping Duty Order on Certain Cold Rolled Steel Flat Products from the Republic of Korea," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

## Methodology

Commerce is conducting this review in accordance with sections 751(a)(1)(B) and (2) of the Act. Export price is calculated in accordance with section 772 of the Act, and NV is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

### Rate for Non-Examined Companies

The statute and Commerce's regulations do not address the establishment of a weighted-average dumping margin to be determined for companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy less-than-fair-value (LTFV) investigation, for guidance when determining the weighted-average dumping margin for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}."

In this review, we preliminarily calculated a weighted-average dumping margin of 0.00 percent for Hyundai and a weighted-average dumping margin of 0.00 percent for POSCO/PIC. Consistent with the U.S. Court of Appeals for the Federal Circuit's decision in *Albemarle*,<sup>7</sup> and our practice, we are applying to KG Dongbu Steel Co., Ltd. (Dongbu), the company not selected for individual examination in this review, a margin of zero percent, because we calculated rates of zero percent for both mandatory respondents, Hyundai and POSCO/PIC. These are the only

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<sup>7</sup> *See Albemarle Corp. v. United States*, 821 F.3d 1345 (Fed. Cir. 2016) (*Albemarle*).

margins determined in this review for individually examined respondents and, thus, we are applying this margin to Dongbu under section 735(c)(5)(B) of the Act.<sup>8</sup>

#### Preliminary Results of Review

Commerce preliminarily determines that the following weighted-average dumping margins exist for the period September 1, 2020, through August 31, 2021:

<b>Producer/Exporter</b>	<b>Weighted-Average Dumping Margin (percent)</b>
Hyundai Steel Company	0.00
POSCO/POSCO International Corporation	0.00
KG Dongbu Steel Co., Ltd. <sup>9</sup>	0.00

#### Disclosure and Public Comment

Commerce intends to disclose the calculations performed for these preliminary results to interested parties within five days of the date of publication of this notice.<sup>10</sup> A timeline for the submission of case briefs and written comments will be provided to interested parties at a later date.<sup>11</sup> Rebuttal briefs, limited to issues raised in case briefs, may be filed no later than seven days after the date for filing case briefs.<sup>12</sup> Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Hearing requests should contain: (1) the party's name, address and telephone number; (2) the number of

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<sup>8</sup> See Memorandum, "Preliminary Results of the Antidumping Duty Administrative Review of Cold-Rolled Steel Flat Products from the Republic of Korea; 2020-21: Calculation of Margin for Respondents Not Selected for Individual Examination," dated September 30, 2022.

<sup>9</sup> This company is the only non-examined company in this review.

<sup>10</sup> See 19 CFR 351.224(b).

<sup>11</sup> See 19 CFR 351.309(c).

<sup>12</sup> See 19 CFR 351.309(d)(1); see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020) (*Temporary Rule*).

participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. If a request for a hearing is made, parties will be notified of the date and time for the hearing.<sup>13</sup> Parties should confirm the date, time, and location of the hearing two days before the scheduled date.

All briefs and hearing requests must be filed electronically using ACCESS and received successfully in their entirety by 5:00 p.m. Eastern Time on the due date. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.<sup>14</sup>

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2), Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in any written briefs, no later than 120 days after the date of publication of these preliminary results.

#### Verification

On February 14, 2022, Commerce received a timely request from Cleveland-Cliffs Inc., United States Steel Corporation, and Steel Dynamics Inc. (collectively, the petitioners) to verify the information submitted by two mandatory respondents in the course of this administrative review, pursuant to 19 CFR 351.307(b)(1)(v).<sup>15</sup> As provided in section 782(i)(3) of the Act, Commerce intends to verify the information relied upon in determining the final results of review.

#### Assessment Rates

Pursuant to section 751(a)(2)(A) of the Act and 19 CFR 351.212(b)(1), Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise covered by this review.<sup>16</sup> If the weighted-average

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<sup>13</sup> See 19 CFR 351.310(d).

<sup>14</sup> See *Temporary Rule*.

<sup>15</sup> See Petitioners' Letter, "Cold-Rolled Steel Flat Products from the Republic of Korea: Request for Verification," dated February 14, 2022.

<sup>16</sup> See 19 CFR 351.212(b)(1).

dumping margin for an individually examined respondent is not zero or *de minimis* (*i.e.*, less than 0.50 percent) in the final results of this review, we will calculate importer-specific *ad valorem* assessment rates on the basis of the ratio of the total amount of dumping calculated for each importer's examined sales and the total entered value of such sales in accordance with 19 CFR 351.212(b)(1).<sup>17</sup> For any individually examined respondent whose weighted-average dumping margin is zero or *de minimis* in the final results of review, or if an importer-specific assessment rate is zero or *de minimis*, Commerce will instruct CBP to liquidate appropriate entries without regard to antidumping duties.<sup>18</sup>

In accordance with Commerce's "automatic assessment" practice,<sup>19</sup> for entries of subject merchandise during the POR produced by the respondents for which the producer did not know its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate of 20.33 percent established in the LTFV investigation.<sup>20</sup>

For Dongbu, the one company that was not selected for individual examination, we intend to assign an assessment rate based on the cash deposit rate calculated for the companies selected for mandatory review (*i.e.*, Hyundai and POSCO/PIC).<sup>21</sup>

The final results of this administrative review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future cash deposits of estimated antidumping duties, where applicable.<sup>22</sup>

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct

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<sup>17</sup> See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101, 8103 (February 14, 2012).

<sup>18</sup> *Id.*, 77 FR at 8102-03; see also 19 CFR 351.106(c)(2).

<sup>19</sup> See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

<sup>20</sup> See *Order*.

<sup>21</sup> See section 735(c)(5)(A) of the Act; see also Preliminary Decision Memorandum at Section IV, "Rate for Non-Examined Companies."

<sup>22</sup> See section 751(a)(2)(C) of the Act.

CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

#### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication in the *Federal Register* of final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for Hyundai, POSCO/PIC, and Dongbu, will be equal to the weighted-average dumping margin established in the final results of this administrative review, except if the margin is less than 0.50 percent and therefore *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for merchandise exported by producers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which they were reviewed; (3) if the exporter is not a firm covered in this review, a prior review, or the original LTFV investigation but the producer is, then the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 20.33 percent,<sup>23</sup> the all-others rate established in the LTFV investigation. These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that

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<sup>23</sup> See Order.

reimbursement of antidumping and/or countervailing duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

These preliminary results of review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: September 30, 2022.

**Lisa W. Wang,**  
*Assistant Secretary for Enforcement and Compliance.*



## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Rate for Non-Examined Companies
- V. Discussion of the Methodology
- VI. Currency Conversion
- VII. Recommendation

[FR Doc. 2022-21849 Filed: 10/6/2022 8:45 am; Publication Date: 10/7/2022]